

MATTHEW G. JACOBS (Bar No. 122066)
matthew.jacobs@dlapiper.com
ALEXANDER M. MEDINA (Bar No. 222015)
alexander.medina@dlapiper.com
DLA PIPER US LLP
400 Capitol Mall, Suite 2400
Sacramento, CA 95814-4428
Tel: 916.930.3200
Fax: 916.930.3201

GEORGE GIGOUNAS (Bar No. 209334)
george.gigounas@dlapiper.com
DEBORAH E. MCCRIMMON (Bar No. 229769)
deborah.mccrimmon@dlapiper.com
DLA PIPER US LLP
153 Townsend Street, Suite 800
San Francisco, CA 94107
Tel: 415.836.2500
Fax: 415.836.2501

Attorneys for Plaintiffs
VIDEO GAMING TECHNOLOGIES, INC.,
UNITED CEREBRAL PALSY OF GREATER
SACRAMENTO, WIND YOUTH SERVICES,
ROBERT FOSS and JOAN SEBASTIANI

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

VIDEO GAMING TECHNOLOGIES,
INC., dba VGT, Inc., a Tennessee
Corporation; UNITED CEREBRAL
PALSY OF GREATER SACRAMENTO,
a California Non-Profit Corporation;
WIND Youth Services, a California Non-
Profit Corporation; ROBERT FOSS, an
individual; and JOAN SEBASTIANI, an
individual,

Plaintiffs,

v.

BUREAU OF GAMBLING CONTROL, a
law enforcement division of the California
Department of Justice; MATHEW J.
CAMPOY, in his official capacity as the
Acting Chief of the Bureau of Gambling
Control,

Defendants.

CV 08

CASE NO.

2748

DECLARATION OF ROBERT ECKSTROM
IN SUPPORT OF PLAINTIFFS' MOTION
FOR TEMPORARY RESTRAINING ORDER
AND FOR ORDER TO SHOW CAUSE FOR
PRELIMINARY INJUNCTION

Date:
Time:
Dept.:
Judge:

1 I, Robert Eckstrom, declare as follows:

2 1. I am the Executive Director of WIND Youth Services ("WIND"). I submit this
3 declaration in support of plaintiffs' Motion for a Temporary Restraining Order and for Order to
4 Show Cause for Preliminary Injunction. Except for the items stated on information and belief, I
5 have personal knowledge of the facts set forth in this declaration, and could and would
6 competently testify thereto.

7 2. WIND is a local non-profit 501(c)(3) corporation that was established in 1994 to
8 directly address the immediate and long-range needs of the Sacramento area homeless, runaway,
9 and street youth and their families. To accomplish these goals, WIND sponsors various
10 programs, such as the WIND Center, a facility that provides a safe place for hundreds of
11 homeless children to receive meals, basic survival services, case management, counseling, life
12 skills training, and referrals to necessary resources. WIND also provides educational programs
13 on various school campuses, operates a homeless youth crisis shelter, and sponsors many other
14 programs to serve the needs of homeless youth in Sacramento County.

15 3. To fund its numerous programs, WIND relies in part on bingo fundraisers held
16 regularly at the Mayhew Bingo Center in Sacramento County. Except for minimal overhead
17 expenses, all Bingo revenue is used by WIND for charitable purposes. WIND's bingo fundraisers
18 use electronic bingo aids manufactured by Video Gaming Technologies, Inc. ("VGT").
19 Approximately 15% of WIND's revenue comes from these bingo fundraisers. In addition, 25%
20 of the funding for the Education Program comes directly from bingo fundraisers.


21 4. I have received a copy of a cease-and-desist notice served by the Bureau of
22 Gambling Control ("Bureau") on the Mayhew Bingo Center on May 8, 2008, which claims that
23 several electronic bingo aids manufactured by VGT violate state law. I am informed and believe
24 that the Bureau interprets state law to require paper or cardboard bingo cards and thus that it is
25 seeking to prevent the use of electronic bingo aids in Sacramento County.

26 5. If electronic bingo aids are no longer permitted in Sacramento County, that would
27 leave only manual, paper bingo games as a permissible form of bingo in Sacramento County.
28 However, I do not believe that paper bingo is a viable option for WIND's fundraising efforts

1 because it is not profitable, and in fact operates at a loss. More specifically, I am informed and
2 believe that operating costs for paper bingo generally outweigh revenue because it is played at a
3 much slower pace than electronically-aided bingo and hence does not draw as many customers
4 because it is considered less exciting and less lucrative than electronically-aided bingo. In
5 addition, state law only permits volunteers to work at paper bingo events, which generally require
6 approximately 15-20 volunteers per session. It is difficult to obtain this many volunteers on a
7 regular basis, and thus paper bingo is not a viable alternative for WIND to consistently raise
8 significant funds.

9 6. If electronic bingo aids are prohibited, it would effectively prevent WIND from
10 hosting bingo fundraisers altogether, which in turn could result in a loss of revenue to WIND.
11 Because WIND relies on a constant stream of revenue from its bingo fundraisers, even a
12 temporary prohibition on electronic bingo aids would be harmful, as WIND would have difficulty
13 funding its programs and would not be able to recover the revenue lost during that period. An
14 extended or permanent prohibition could result in further cuts to WIND's programs.

15 I declare under penalty of perjury under the laws of the State of California that the
16 foregoing is true and correct and that this declaration was executed on May __, 2008 at
17 Sacramento, California.

18 
19 ROBERT ECKSTROM
20 6-2-08